

Message Text

CONFIDENTIAL

PAGE 01 STATE 212631

64

ORIGIN AF-08

INFO OCT-01 ISO-00 PM-04 DODE-00 OMB-01 TRSE-00 NSC-05

SP-02 SS-15 CIAE-00 INR-07 NSAE-00 EB-07 L-03 H-02

MC-02 IGA-02 AID-05 ACDA-07 /071 R

DRAFTED BY AF/E:RSBARRETT,DBBOLEN

APPROVED BY AF:DBBOLEN

----- 008274

P 262235Z AUG 76

FM SECSTATE WASHDC

TO AMEMBASSY ADDIS ABABA PRIORITY

INFO USCINCEUR PRIORITY

C O N F I D E N T I A L STATE 212631

E.O. 11652: GDS

TAGS: MASS, US, ET

SUBJECT: ETHIOPIAN FMS CREDITS

REF: (A) STATE 202249 AND PREVIOUS; (B) ADDIS 9848

1. RE REF B ETHIOPIAN CHARGE MEKBIB CALLED ON DEPUTY ASSISTANT SECRETARY BOLEN AUGUST 26 TO MAKE HIS REQUEST FOR CONCESSIONAL INTEREST RATE ON FMS CREDITS.

2. AMB BOLEN INFORMED CHARGE THAT U.S. GOVERNMENT HAS GIVEN PMG REQUEST VERY CAREFUL CONSIDERATION BUT IT WOULD NOT BE POSSIBLE TO GRANT CONCESSIONAL INTEREST RATE OF 5 PERCENT FOR FY 76 FMS CREDITS. AMB BOLEN REVIEWED HISTORY OF FMS CREDITS FOR ETHIOPIA AND NOTED THAT ETHIOPIA HAD BEEN ONLY COUNTRY TO GET CONCESSIONAL RATE IN FY 75. AS WE HAVE INFORMED THE ETHIOPIAN EMBASSY THIS HAD BEEN AN EXCEPTIONAL GESTURE AT THE TIME. BOLEN STRESSED THAT NO FMS RECIPIENTS HAD RECEIVED A CONCESSIONAL RATE IN FY 76. HE REVIEWED AID FLOWS AND NOTED ETHIOPIA'S STRONG BALANCE OF
CONFIDENTIAL

CONFIDENTIAL

PAGE 02 STATE 212631

PAYMENTS POSITION.

3. AMBASSADOR ASSURED CHARGE THAT USG ATTACHED HIGH VALUE TO ITS RELATIONS WITH ETHIOPIA; WE WERE PLEASED AT BEING ABLE TO RESUBMIT THE UNSIGNED FY 76 FMS CREDIT AGREEMENT

DURING THE TQ. AMB REMINDED CHARGE OF THE NECESSITY OF SIGNING THIS AGREEMENT BEFORE END OF SEPTEMBER, OR BEFORE AUGUST 31 IF PMG WANTED TO BE SURE OF 8 PERCENT INTEREST RATE.

4. MEKBIB SAID HE WAS FULLY AWARE OF AND GRATEFUL FOR EFFORTS DEPARTMENT HAD MADE IN THE PAST TO GET BOTH FMS CREDITS AND THE CONCESSIONAL RATE. HE WAS ALSO AWARE OF PRESENT SITUATION AND VIRTUAL IMPOSSIBILITY OF AGAIN GETTING USG APPROVAL FOR THE LOW RATE. HE CONCEDED THAT ETHIOPIA HAD HEALTHY FOREIGN EXCHANGE POSITION BUT SAID THAT PMG WANTED TO HUSBAND THESE RESERVES FOR PROJECTS IT HAS IN MIND AND WAS IN GENERAL TRYING TO REDUCE ITS OVERALL YEARLY DEBT PAYMENTS.

5. CHARGE SAID HE UNDERSTOOD USG POSITION FULLY AND UNDERTOOK TO INFORM HIS GOVERNMENT.

KISSINGER

CONFIDENTIAL

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: MILITARY CREDIT, INTEREST RATES
Control Number: n/a
Copy: SINGLE
Draft Date: 26 AUG 1976
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: coburnhl
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1976STATE212631
Document Source: CORE
Document Unique ID: 00
Drafter: RSBARRETT,DBBOLEN
Enclosure: n/a
Executive Order: GS
Errors: N/A
Film Number: D760326-1145
From: STATE
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1976/newtext/t19760815/aaaaamp.tel
Line Count: 85
Locator: TEXT ON-LINE, ON MICROFILM
Office: ORIGIN AF
Original Classification: CONFIDENTIAL
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators: n/a
Previous Classification: CONFIDENTIAL
Previous Handling Restrictions: n/a
Reference: 76 STATE 202249, 76 ADDIS ABABA 9848
Review Action: RELEASED, APPROVED
Review Authority: coburnhl
Review Comment: n/a
Review Content Flags:
Review Date: 28 JUN 2004
Review Event:
Review Exemptions: n/a
Review History: RELEASED <28 JUN 2004 by ShawDG>; RELEASED <28 JUN 2004 by ShawDG>; APPROVED <04 NOV 2004 by coburnhl>
Review Markings:

Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
04 MAY 2006

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: ETHIOPIAN FMS CREDITS
TAGS: MASS, US, ET
To: ADDIS ABABA
Type: TE
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 04 MAY 2006